

## **GENERAL CONDITIONS OF SALES** (GCS) – Danone Finland OY

### *1. General Information and Purpose:*

For purposes of these General Conditions of Sales (hereinafter referred to as "GCS"), the following terms shall have the following respective meanings:

"The Seller": Danone Finland OY Ltd, Malminkatu 30, 00100 Helsinki, Finland

"The Purchaser": a private individual, legal person, or another organisational entity selected by the Seller for purposes of further Product reselling,

"Products": all food produce distributed by the Seller.

GCS shall apply to the sales of all Products by the Seller to the Purchaser, and shall be amended exclusively by virtue of the Seller's written consent.

GCS shall apply in full, regardless of any contradicting clauses of general conditions of sales, if any, suggested by the purchaser. Any order placed with the Seller shall be tantamount to the ordering party accepting these GCS, thus overruling any terms and conditions of purchase, and/or any other document originating with the Purchaser.

### *2. Order Acceptance*

Orders shall be received for acceptance at the Customer Service Department, according to agreement with customers, on business days (i.e. Tuesday and Friday) from 08:00 a.m. until 10:00 a.m.

Orders shall be transmitted by EDI, electronic mail or facsimile on the Seller's order form, or on the Client's order form.

### *3. Order Processing and Delivery*

The Seller shall process orders placed by the Purchaser according to a delivery schedule agreed by the Purchaser, the Seller, and the Seller's Transportation Department. The Purchaser shall be entitled to place only one (1) order per point of delivery. The delivery shall be made on the subsequent business day.

Every order placed by the Purchaser with the Seller shall be tantamount to an acceptance of these General Conditions of Sales, as well as of price lists valid as of the day of delivery. The Seller shall hereby reserve the right to cancel General and Conditions of Sales the Purchaser's delivery in part or in whole.

### *4. Sales Prices*

Sales prices shall conform to the current price offer for the seller's product, and shall be listed on the sales invoice in conformity to the

planned date of delivering Products to the Purchaser. Sales prices shall be quoted DDU the Purchaser's warehouse/store. This means that the sales prices shall i.a. include the cost of transporting the Seller's Products to the Purchaser. The Seller shall have the right of amending Product sales prices with no obligation of notifying the Purchaser in advance.

### *5. Sales Discounts*

The so-called cascade method shall apply to the entire system of discounts applied by the Seller when quoting prices on the invoice presented to the Purchaser. The cascade method consists in the subtraction of individual discounts from the basic price, in recognition of the price base (i.e. in the subtraction of the value of all discounts applicable from the current price). The method of arithmetical summing up of all discounts as a discount to be extended to the Purchaser shall not apply.

Sales discounts shall apply to the order line value (not to a sales unit). After all discounts are recognised, the sales unit price shall be calculated by dividing the order line value by the volume (in the appropriate sales unit), and rounded up to a full value in local currency.

All and any discounts shall apply to the net sales value of the Product – this may result in the final sales unit price differing by one (1) öre, at unchanged discount terms.

### *6. Shipping Conditions*

Products shall be delivered by road only – by third-party transportation.

6.1. Third-party transportation shall be provided at the Seller's expense. Should the delivery provided by the Seller fail to be accepted by the Purchaser according to specification and with no complaint, the Seller shall charge all costs of transportation and the entire Product value to the Purchaser, according to current price rates.

The phrase "third-party transportation" shall mean transportation handled by the Seller as a result of an order placed directly at the Customer Service Department, or with the Seller's Sales Representative. Purchasers, whose deliveries are processed by the Purchaser's central warehouse, shall operate according to individually agreed terms of delivery.

A tray (or other collective packaging unit) shall be recognised as the unit of delivery. Trays shall be placed on a Euro-pallet, and secured with stretch foil.

Every delivery shall be accompanied by the following documents:

- Waybill, The Purchaser shall be obliged to confirm collection of Products as of the moment of their delivery with a legible signature and company stamp on the Proof of Delivery form and Waybill both, with the date and hour of delivery specified.

- Delivery note

As of the moment of delivery, all ownership rights to the Product, as well as all risk of loss of or damage to the same shall pass to the Purchaser.

6.2 Direct transportation shall be handled by the Driver/Salesperson at the Seller's expense, within administrative boundaries of the country. The phrase "direct transportation" shall mean transportation handled by the Seller as a result of an order placed directly with the Driver/Salesperson, or the Seller's Sales Representative. A sales unit shall be recognised as one (1) piece of the Product carrying an EAN code.

### *7. Force Majeure*

No party hereto shall be held liable for failing to meet contract terms and/or conditions, should such failure result from an unavoidable event beyond the control of the party affected, which could not have been prevented by taking appropriate action. Should *force majeure* occur, the time of delivery by the seller may be extended, of which the Purchaser shall be notified without undue delay. In such cases, no modification of the date of delivery shall be recognised as a basis for compensation, or reduction of the amount invoiced.

### *8. Date of Payment and Clearance*

The Purchaser shall pay for any Products delivered by the Seller in cash (20 days of payment) as of the date of invoice.

No discrepancies as to the prices and/or invoiced volumes remaining unresolved within the time agreed shall be recognised as a basis for a change to the payment date of the invoice issued by the Seller, or for the Purchaser's unilateral decision to alter the amount due.

#### Compensation:

Amounts due to the Purchaser for any reason shall not be compensated against amounts invoiced for Products without the Seller's previous written consent.

### *9. Complaints and Returns*

Any comments or complaints on visual damage must be filed upon delivery on the waybill. Comments concerning the volume,

assortment, and/or expiry dates of the Product shall be filed within 24 hours, and duly described and communicated in writing to Seller. The seller shall not accept any Products unsold by the Purchaser, or any Products with a past expiry date.

The complaint processing procedure shall follow the process as agreed and duly described, and be duly supervised by the Seller.

In lieu of the obligation to notify food control authorities of any hazardous goods, the parties hereto agree that the Seller shall be the party responsible for such notification.

#### *10. Promotions*

The Seller shall hereby reserve the right to decide on a variety of promotion campaigns. Products included in any promotion campaign shall be sold for purposes of reselling to consumers in their current state. The Purchaser shall be obliged to refrain from introducing any changes prior to reselling, and to conform to promotion-related recommendations and assumptions defined for Products included in the promotion campaign by the Seller.

#### *11. Storage and Transportation Conditions*

All Products shall be stored and transported in temperatures ranging from +2°C to +6°C, in conformity to all and any sanitary regulations pending in respective country. All Purchasers shall be obliged to conform to the aforementioned rules.

#### *12. Returnable Packaging (Pallets Included)*

All goods shall be delivered by the seller on Euro-pallets. The Purchaser shall be obliged to return pallets upon every delivery. If pallets not returned upon every delivery agreement on pallet exchange system must be made between the Seller and the Purchaser.

#### *13. Confidentiality*

All and any documents and information of any kind, revealed to the Purchaser by the Seller, and/or drafted by the Seller with regard to order processing, shall be used by the Purchaser exclusively to the purpose of order processing, and shall be revealed to third parties only upon the Seller's previous written consent, and only upon having received from such third party a representation to the effect of respecting the confidential nature of any such documents.

Furthermore, the Seller and Purchaser shall hereby agree that during the term of their contract upon its termination, all its terms and conditions shall be recognised as confidential.

#### *14. Contract Divisibility and its Conformity to the Letter of Law*

Should it be proven that one or more provisions within the contract is/are in violation of pending legal regulations, is/are invalid or is/are impossible to apply for any reason, such provision(s) shall not apply, whereas parties hereto shall take joint action to agree replacement provisions recognised as valid, applicable, as close to original intentions of parties hereto as reasonably possible, and provide for the greatest possible probability of applying all rights and responsibilities as expected. Other provisions of these GCS shall remain unchanged.

The Seller and Purchaser shall be obliged to strictly conform, and to cause their respective subcontractors to strictly conform, to all relevant acts of law, regulations, resolutions, and ordinances relating to order processing, including, but not limited to, Product purchase and sales, production, testing, functioning, handling, transportation, storage, packaging, and/or delivery.

#### *15. Violation to GCS – Termination*

Should the Purchaser fail to meet its obligations, or violate one of these GCS, the seller shall duly notify the Purchaser of such circumstances. Should such failure to meet obligations or violation fail to be remedied within a term of seven (7) business days as of the date of such notification being sent, the Seller shall have the right to take one or both action(s) listed below:

- Appoint another self-selected company to handle the Purchaser's obligations at expense of the latter, even should such expense exceed the afore-quoted amount,
- Terminate the contract, with or without the right of recourse, with no violation of the right to demand that the Purchaser cover all such losses or damages as the Seller could have been exposed to as a result of the Purchaser having violated these GCS, and with no violation of the Seller's right to receive contractual penalty for the Purchaser having failed to conform to the GCS.

The Seller shall have the right to terminate the contract with the Purchaser with immediate effect, in the form of a written statement served to the Purchaser, should – according to the Seller – symptoms of a poor financial or commercial condition of the Purchaser arise, such symptoms to include, but not to be limited to, insolvency, filing for bankruptcy, appointment of an emergency administrator for the Purchaser, and/or ownership changes at the Purchaser's company, should such changes carry potential impact on the Purchaser's actions or financial condition – including, but not limited to the Purchaser's capacity for meeting all obligations due to the Seller.

#### *16. Trademark, Industrial Design, and Brand Use*

The Purchaser shall hereby declare to refrain from violating the Seller's or any third party intellectual property rights, specifically those associated with trademarks, industrial design, brand names, and copyrights. The purchaser shall assume full legal responsibility for violating any such rights.

#### *17. Final Provisions*

The Purchaser shall hereby declare to conform to all conditions as listed above. The Seller shall hereby reserve the right to suspend deliveries, should the Purchaser be found in violation of any GCS.

Should the Purchaser and the Seller sign any Product delivery and/or sales contract, the provisions of such contract shall take precedence over these GCS.

Any disputes arising in relation to these GCS shall be resolved by a court of law of competent jurisdiction for the Seller's place of business, and in conformity to local legal regulations.